

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

RECEIVED

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Postal Rate and Fee Changes, 1997)

Docket No. R97-1

OFFICE OF THE CONSUMER ADVOCATE NOTICE OF THE
FILING OF ERRATA TO OCA-LR-8 AND OCA-LR-9
(February 17, 1998)

The Office of the Consumer Advocate hereby gives notice of the filing of Errata to OCA-LR-8, a Library References accompanying the Testimony of J. Edward Smith, Jr. (revised pages attached), and OCA-LR-9, a Library Reference accompanying the Testimony of J. Edward Smith, Jr. (revised pages attached). The specific changes are as follows:

OCA-LR-8

Page 1 of LSM SAS Program Section, insert "usps" in statement "filename tre 't:\r97-1\libref\usps\h-148\vvmpo.dat'"

Page 2, LSM Output Section, Delete "DATA IN LOGS" and substitute "Data not in Logs"

Page 5 of LSM SAS Program Section, insert "tph=log(tph)" in Modifications section

Page 5 of LSM SAS Program Section, insert "hrs=log(hrs)" in Modifications Section

Page 3, LSM Output Section, complete page substitution to provide a graph in logs as stated in the title

The electronic file for the SAS program is RFLSMX, and the electronic file for the output is ROFLSMX.

OCA-LR-9

On the first page of each of the four volumes of the Library Reference insert the following paragraph at the bottom:

"CORRECTION NOTE:

Every page of output in this Library Reference incorrectly states "DATA ARE IN LOGS." In fact, none of the data are in logs. The statement is amended to read: "DATA NOT IN LOGS."

The electronic file for OCA-LR-9 is lr9x.

Respectfully submitted,

A handwritten signature in black ink, reading "Kenneth E. Richardson". The signature is written in a cursive, flowing style.

Kenneth E. Richardson
Attorney

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*****
*****;
*** THIS PROGRAM ESTIMATES THE VARAIBILITIES FOR MAIL PROCESSING LABOR ;
*** THE PROGRAM HAS FIVE PARTS ;
*** ;
*** PART I OF THIS PROGRAM READS IN THE DATA, SELECTS THE OPERATION TO ;
*** BE ESTIMATED AND CREATES THE TIME TREND AND SEASONAL VARIABLES ;
*** ;
*** PART II CREATES THE LAGGED VALUE FOR TPH FOR EACH SITE. BECAUSE OF ;
*** THE PANEL NATURE OF THE DATA THE LAGGING ;
*** MUST BE DONE SEPARATELY FOR EACH SITE ;
*** ;
*** PART III MEAN CENTERS THE DATA & CALCULATES THE INFORMATION REQUIRED ;
*** FOR THE GNR AND HAUSMAN TESTS ;
*** ;
*** PART IV ESTIMATES THE FIXED EFFECTS MODEL WITHOUT A SERIAL ;
*** CORRELATION CORRECTION, CALULATES THE BFN DURBIN WATSON, ;
*** AND THE BLI RHO ;
*** ;
*** PART V ESTIMATES THE FIXED EFFECTS MODEL WITH THE SERIAL CORRELATION ;
*** CORRECTION IN PLACE. ;
*****;

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*%*****%;
* PART I: THIS SECTION OF THE PROGRAM READS IN THE DATA, ;
* SELECTS THE OPERATION TO BE ESTIMATED AND CREATES THE ;
* TIME TREND AND SEASONAL VARIABLES ;
* THE INPUT VARIABLES ARE DEFINED AS FOLLOWS: ;
* THE T' PREFIX REFERS TO TPH AND THE H' PREFIX REFERS TO HOURS ;
* THE REMAING PORTIONS OF THE VARIABLE NAMES HAVE THE FOLLOWING DEFNS ;
* OCR - OCR OPERATION;
* BCS - BCS OPERATION;
* LSM - LSM OPERATION;
* MANL - MANUAL LETTER OPERATION;
* MANF - MANUAL FLAT OPERATION;
* FSB - FSM OPERATION;
* MANP - MANUAL PARCEL OPERATION;
* MECALLP - MECHANIZED PARCEL OPERATION;
* SPBALLP - SPBS NON-PRIORITY OPERATION;
* MANPRIO - MANUAL PRIORITY OPERATION;
* SPBPRIOR - SPBS PRIORITY OPERATION;
* IN ADDITION, MANR IS THE MANUAL LETTER RATIO AND MANFR IS THE
* MANUAL FLAT RATIO;
*%*****%;
*****;

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*****PROGRAM HAS BEEN MODIFIED FOR LSM;
*****TO SHOW A PLOT OF DATA POINTS;

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filename tre 't:\r97-1\libref\usps\h-148\vvmpo.dat';

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DATA OPSTAGE; INFILE TRE;

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CLOSE LAGSET;
FREE K1 AUGZ AUGY IN1 IN2 CZ1 LZ1 CY1 INYD1 INYD2; * ELIMINATING UNUSED VARIABLES TO SAVE SPACE;
FINISH MAIN;
RUN MAIN;
***** END OF PROC IML PROCEDURE TO CREATE LAG TPH *****;
PROC DATASETS LIBRARY=WORK;
DELETE OPER; *DELETE WORK DATASET TO SAVE SPACE;
;
*%%%%%%%%%%%%%%;
** PART III: MEAN CENTERING THE DATA, CALCULATING THE
** INFORMATION REQUIRED FOR THE GNR AND THE HAUSMAN TEST
*%%%%%%%%%%%%%%;
PROC MEANS DATA=LAGSET;
VAR TPH TIME1 TIME2 HRS MANR;
OUTPUT OUT=MOUT1 MEAN=MTPH MTIME1 MTIME2 MHRS MMANR;
*****;
* THIS SECTION MEAN CENTERS THE DATA, TAKES LOGS, AND FORMS THE
* SQUARES AND CROSS PRODUCTS FOR THE REGRESSIONS
*****;

*****MODIFICATIONS*****;

DATA OPER1;
IF _N_=1 THEN SET MOUT1; SET LAGSET;
tph=log(tph);
hrs=log(hrs);
PROC PLOT DATA=OPER1;
TITLE 'LSM; DATA IN LOGS';
*PLOT HRS*TPH;
PLOT HRS*TPH/ VZERO HZERO;
RUN;

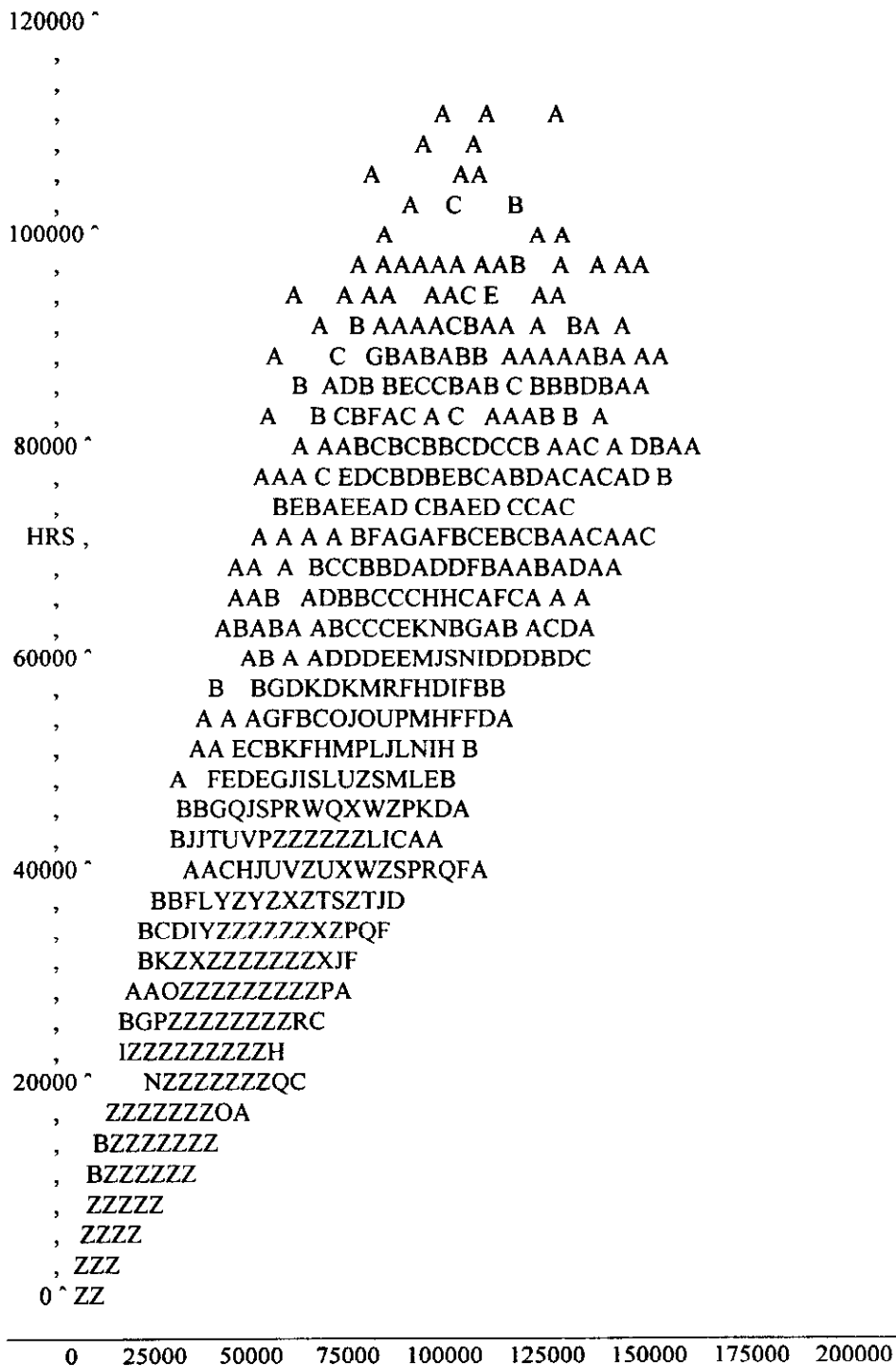
END OF PROGRAM EXECUTION
/*

DATA OPER1;
IF _N_=1 THEN SET MOUT1; SET LAGSET;
TPH=TPH/MTPH;
TPH1=TPH1/MTPH;
HRS=HRS/MHRS;
MANR=MANR/MMANR;
MANR=LOG(MANR);
TPH=LOG(TPH);
TPH1=LOG(TPH1);
HRS=LOG(HRS);
TPH2=TPH*TPH;
TPH21=TPH1*TPH1;
TIME1=TIME1-MTIME1;
TIME12=TIME1*TIME1;

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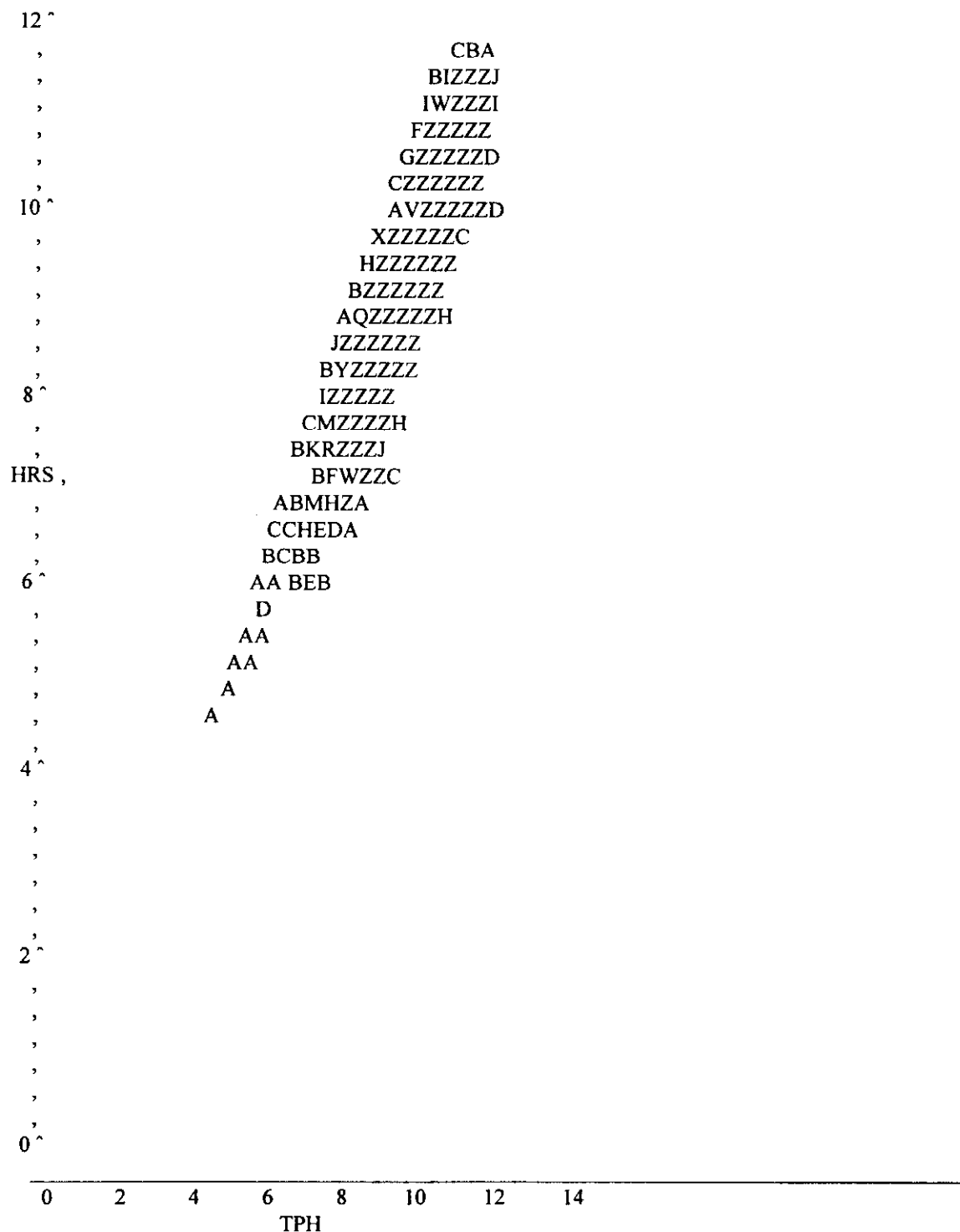
LSM Data not in Logs
Plot of HRS*TPH. Legend: A = 1 obs, B = 2 obs, etc.

Revised
2/17/98



NOTE: 14996 obs hidden.

LSM; DATA IN LOGS
Plot of HRS*TPH. Legend: A = 1 obs, B = 2 obs, etc.



NOTE: 17382 obs hidden.

LIBRARY REFERENCE OCA-LR-9

SMITH/OCA ELECTRONIC DATA SUBSTANTIATING EXHIBIT OCA 603

This library reference, OCA-LR-9, contains the PC SAS programs used to generate the tables in exhibit OCA 603 for certain activities. The data on which the programs rely are in witness Bradley's library reference, USPS-LR-H-148.

Four mail processing activities were analyzed. There are, therefore, four programs. In addition, for each program there is a corresponding set of output, plots of hours and TPH at each location, as well as a summed plot, attached in electronic form. The programs and output follow:

Manual Letters

Program: ZPMANLX.

Output: OZMPANLX.

Manual Flats

Program: ZMANFX.

Output: OZMANFX.

OCR

Program: ZPOCRX.

Output: OZPOCRX.

LSM

Program: ZPLSMX.

Output: OZPLSMX.

CORRECTION NOTE:

Every page of output in this Library Reference incorrectly states "DATA ARE IN LOGS." In fact, none of the data are in logs. The statement is amended to read: " DATA NOT IN LOGS."

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

A handwritten signature in cursive script, reading "Kenneth E. Richardson".

Kenneth E. Richardson
Attorney

Washington, D.C. 20268-0001
February 17, 1998